

EXHIBIT 20

<p>1 WETZEL</p> <p>2 Q. Who knows that?</p> <p>3 A. Mr. Crocetti.</p> <p>4 Q. Now, would the profit be determined</p> <p>5 by calculating what you paid AMI for the</p> <p>6 magazines -- withdrawn.</p> <p>7 Would the profit be calculated by</p> <p>8 determining how much of the monies you collected</p> <p>9 you turned over to the Defendants?</p> <p>10 A. No.</p> <p>11 Q. How is it determined?</p> <p>12 A. The amount of payment to --</p> <p>13 Q. The amount you collected?</p> <p>14 A. No, the amount of payment to the</p> <p>15 publisher.</p> <p>16 Q. Meaning the Defendants?</p> <p>17 A. Yes, less our fee for that service.</p> <p>18 Q. Well, you testified earlier that you</p> <p>19 collected a certain amount of money and then out</p> <p>20 of the money you collected there was an agreement</p> <p>21 that indicated how much you would turn over --</p> <p>22 A. We did not collect as a line item for</p> <p>23 AMI. Our statement is a combination of all</p> <p>24 publications billed to a wholesaler for a</p> <p>25 particular month and all credit transactions</p>	<p>50</p> <p>1 WETZEL</p> <p>2 distributed?</p> <p>3 A. No. We rely on the publisher's</p> <p>4 assertion that they have the right to trademarks</p> <p>5 or any copyrights pertaining to the product that</p> <p>6 we distribute for them.</p> <p>7 Q. Is this philosophy that you just</p> <p>8 mentioned written down anywhere?</p> <p>9 A. Yes, in the contract between Curtis</p> <p>10 and the publisher.</p> <p>11 Q. Is there such a contract that has</p> <p>12 that language with the Defendants in this case?</p> <p>13 A. I wouldn't know specifically.</p> <p>14 Q. In relation to Sly Magazine?</p> <p>15 A. I would not know specifically. I'm</p> <p>16 not privy to that specific contract.</p> <p>17 Q. What contract are you referring to</p> <p>18 that you testified about what it contains?</p> <p>19 A. A general contract that we have with</p> <p>20 most of our publishers.</p> <p>21 Q. When was the last time you saw such a</p> <p>22 contract?</p> <p>23 A. Maybe a year ago.</p> <p>24 Q. Where did you see it?</p> <p>25 A. I think I reviewed it with a</p>
<p>51</p> <p>1 WETZEL</p> <p>2 coming back. So, all cash remitted to Curtis is</p> <p>3 commingled. It's not identified as a certain</p> <p>4 amount for this publisher, a certain amount for</p> <p>5 that publisher. We decide what the remit would be</p> <p>6 to the publisher.</p> <p>7 Q. You're trying to tell me that you</p> <p>8 can't figure out how much profit you made off of</p> <p>9 Sly Magazine?</p> <p>10 A. Sure we can figure it out.</p> <p>11 Q. How?</p> <p>12 A. We would look at the value of the</p> <p>13 sales less whatever our fee is -- which is based</p> <p>14 upon the value of the sales -- and that would be</p> <p>15 our profit.</p> <p>16 Q. When did your company first become</p> <p>17 aware of this lawsuit?</p> <p>18 A. I don't know.</p> <p>19 Q. Was it before or after January 2005?</p> <p>20 A. I don't know.</p> <p>21 Q. When was the first conversation you</p> <p>22 ever had with anyone concerning my client?</p> <p>23 A. Two, three weeks ago.</p> <p>24 Q. Does Curtis have any policy in place</p> <p>25 to check on the trademarks of magazines that you</p>	<p>53</p> <p>1 WETZEL</p> <p>2 potential publisher, client.</p> <p>3 Q. Why did you do that?</p> <p>4 A. Because we were soliciting their</p> <p>5 business.</p> <p>6 Q. What publisher did you review it</p> <p>7 with?</p> <p>8 A. It was a potential publisher. They</p> <p>9 were in Canada. I'm trying to think of their</p> <p>10 name.</p> <p>11 Q. Is there somebody from your company</p> <p>12 whose regular job it is to review such contracts</p> <p>13 with publishers or potential publishers?</p> <p>14 A. Yes, Mr. Porti.</p> <p>15 Q. Who signs these contracts on behalf</p> <p>16 of your company?</p> <p>17 A. Generally, Mr. Porti or Mr. Castardi.</p> <p>18 Q. Can a retailer purchase directly from</p> <p>19 your company?</p> <p>20 A. In very limited circumstances.</p> <p>21 Q. Why is that?</p> <p>22 A. Because our business is through</p> <p>23 wholesale distributors.</p> <p>24 Q. Primarily?</p> <p>25 A. Primarily.</p>

<p style="text-align: right;">70</p> <p>1 WETZEL</p> <p>2 Q. How much before?</p> <p>3 A. Generally, two to three weeks.</p> <p>4 Q. But you're not sure with respect to</p> <p>5 this?</p> <p>6 A. No.</p> <p>7 Q. What is the date of the Sly Magazine</p> <p>8 referred to in Document 17?</p> <p>9 A. July/August '05.</p> <p>10 Q. That's the on-sale date and, again,</p> <p>11 you do not know the cover date?</p> <p>12 A. No, it's -- the issue is July/August</p> <p>13 '05.</p> <p>14 Q. I was just trying to expedite.</p> <p>15 So, on this one you do know the cover</p> <p>16 date?</p> <p>17 A. Yes, it's listed as the cover date.</p> <p>18 Q. What's the on-sale date?</p> <p>19 A. 7/25/05, off-sale 9/5/05.</p> <p>20 Q. On-sale July 25th, off-sale</p> <p>21 September 5th; is that correct?</p> <p>22 A. Correct.</p> <p>23 Q. How much money did you pay the</p> <p>24 Defendants for that issue?</p> <p>25 A. Approximately, \$22,000.</p>	<p style="text-align: right;">72</p> <p>1 WETZEL</p> <p>2 Q. Looking at what has been marked as</p> <p>3 Exhibit 18, sir, what is the cover date of that</p> <p>4 issue of Sly Magazine that your company</p> <p>5 distributed?</p> <p>6 A. This refers to it as Sly #2.</p> <p>7 Q. And the date?</p> <p>8 A. 05011, on-sale 5/9/05, off-sale</p> <p>9 7/11/05.</p> <p>10 Q. So, on-sale May 9th, off-sale</p> <p>11 July 11th; is that correct?</p> <p>12 A. Correct.</p> <p>13 Q. The cover date, if you know?</p> <p>14 A. There was no cover date.</p> <p>15 Q. How much did your company pay the</p> <p>16 Defendants for that magazine, that issue?</p> <p>17 A. Approximately, \$22,000.</p> <p>18 Q. What was the initial draw, the</p> <p>19 amount?</p> <p>20 A. 867,000.</p> <p>21 Q. So, all but -- what did you say,</p> <p>22 19,000?</p> <p>23 A. 22,000, approximately.</p> <p>24 Q. All but the 22,000 were returned?</p> <p>25 A. Correct.</p>
<p style="text-align: right;">71</p> <p>1 WETZEL</p> <p>2 Q. Now, on the first page on the upper</p> <p>3 right-hand corner, the very first dollar amount,</p> <p>4 it says \$639,000 and change. What number does</p> <p>5 that represent?</p> <p>6 A. That's the gross balance due without</p> <p>7 adjustment for returns.</p> <p>8 Q. So, is it your testimony that after</p> <p>9 adjusting for returns, the gross balance due was</p> <p>10 the 22,000 figure you referred to earlier?</p> <p>11 A. Correct.</p> <p>12 Q. Was an audit done with respect to</p> <p>13 that issue?</p> <p>14 A. No.</p> <p>15 Q. How do you know?</p> <p>16 A. Because we do not routinely audit</p> <p>17 this particular transaction.</p> <p>18 Q. But do you know whether or not an</p> <p>19 audit was done?</p> <p>20 A. No, I do not.</p> <p>21 MR. BOSTANY: Mark this 18, please.</p> <p>22 (Whereupon, the aforementioned</p> <p>23 eight-paged statement was marked as</p> <p>24 Plaintiff's Exhibit 18 for identification</p> <p>25 as of this date by the Reporter.)</p>	<p style="text-align: right;">73</p> <p>1 WETZEL</p> <p>2 Q. Was an audit done to confirm those</p> <p>3 returns?</p> <p>4 A. Not that I am aware of.</p> <p>5 Q. Would you necessarily become aware of</p> <p>6 it?</p> <p>7 A. No.</p> <p>8 Q. Now, I'm going to show you these four</p> <p>9 documents, 15, 16, 17, and 18, sir, and ask you if</p> <p>10 these represent all four magazines that your</p> <p>11 company ever distributed with the title "Sly"?</p> <p>12 A. Yes.</p> <p>13 Q. Now, focusing on Exhibit 16 -- I'm</p> <p>14 sorry, 15, what's the date of that document?</p> <p>15 A. The date is 1/23/06.</p> <p>16 Q. That refers to a magazine, a Sly</p> <p>17 Magazine that goes off-sale when?</p> <p>18 A. 3/26/06.</p> <p>19 Q. March 26th?</p> <p>20 A. Uh-huh. Yes.</p> <p>21 Q. So, has that document been updated</p> <p>22 since January 23rd, you said?</p> <p>23 A. What's today's date?</p> <p>24 MS. SULLIVAN: The 23rd of February.</p> <p>25 A. It could be in the process of being</p>